

Title 4 WAC

ACCOUNTANCY, BOARD

OF

Chapters 4-25

General provisions.

Chapter 4-25 WAC GENERAL PROVISIONS

WAC

4-25-510	What is the board's meeting schedule and how are officers elected?
4-25-530	Fees.
4-25-820	What are the requirements for participating in quality assurance review (QAR)?

WAC 4-25-510 What is the board's meeting schedule and how are officers elected? Regular board meetings begin at 9:00 a.m. on the last Friday of the month in the months of January, April and July or as otherwise determined by the board. The board holds an annual meeting beginning at 9:00 a.m. on the last Friday of October or as otherwise determined by the board.

The board consists of nine members. At the annual meeting the board elects the chair, vice-chair, and secretary from its members. The newly elected officers assume the duties of their offices on January 1 following the annual board meeting. Officers serve a term of one year and can be reelected for one additional term.

Either the chair or a quorum of the board has the authority to call meetings of the board. The chair presides at all meetings. In the event of the chair's absence or inability to act, the vice-chair presides. The board determines other duties of the officers.

The board's meetings are open public meetings conducted pursuant to chapter 42.30 RCW. WAC 4-25-521 provides information on how to contact the board's office for meeting times and locations or additional information regarding the board's activities.

[Statutory Authority: RCW 18.04.055, 42.30.070, 07-14-034, § 4-25-510, filed 6/26/07, effective 7/27/07; 05-01-137, § 4-25-510, filed 12/16/04, effective 1/31/05; 01-22-036, § 4-25-510, filed 10/30/01, effective 12/1/01; 00-11-068, § 4-25-510, filed 5/15/00, effective 6/30/00; 99-18-111, § 4-25-510, filed 9/1/99, effective 1/1/00. Statutory Authority: RCW 18.04.055, 93-12-077, § 4-25-510, filed 5/27/93, effective 7/1/93.]

WAC 4-25-530 Fees. The board shall charge the following fees:

- (1) Initial application for individual license, practice privilege, individual license through reciprocity, CPA firm license (sole proprietorships with no employees are exempt from the fee), or registration as a resident nonlicensee firm owner \$330

- (2) Renewal of individual license, CPA-Inactive certificate, practice privilege, CPA firm license (sole proprietorships with no employees are exempt from the fee), or registration as a resident nonlicensee firm owner \$230
- (3) Application for CPA-Inactive certificateholder to convert to a license \$0
- (4) Application for reinstatement of license, practice privilege, CPA-Inactive certificate, or registration as a resident nonlicensee owner .. \$480
- (5) Quality assurance review (QAR) program fee (includes monitoring reviews for up to two years)
 - Firm submits reports for review \$400
 - Firm submits a peer review report for review \$60
 - Firm is exempted from the QAR program because the firm did not issue attest reports \$0
- (6) Late fee \$100
- (7) Amendment to firm license except for a change of firm address (there is no fee for filing a change of address) \$35
- (8) Copies of records, per page exceeding fifty pages \$0.15
- (9) Computer diskette listing of licensees, CPA-Inactive certificateholders, grants of practice privilege, registered resident nonlicensee firm owners, or firms \$75
- (10) Replacement CPA wall document \$50
- (11) Dishonored check fee (including, but not limited to, insufficient funds or closed accounts) \$35
- (12) CPA examination. Exam fees are comprised of section fees plus administrative fees. **The total fee is contingent upon which section(s) is/are being applied for and the number of sections being applied for at the same time.** The total fee is the section fee(s) for each section(s) applied for added to the administrative fee for the number of section(s) applied for.
 - (a) Section fees:
 - (i) Auditing and attestation \$209.33
 - (ii) Financial accounting and reporting \$197.40
 - (iii) Regulation \$173.55
 - (iv) Business environment and concepts \$161.63
 - (b) Administrative fees:

1/1/04 -	After
12/31/06	1/1/07

(i)	First-time candidate - Four sections	\$124.50	\$132.95
(ii)	First-time candidate - Three sections	\$111.00	\$119.10
(iii)	First-time candidate - Two sections	\$97.00	\$104.70
(iv)	First-time candidate - One section	\$83.00	\$90.30
(v)	Reexam candidate - Four sections	\$122.50	\$130.75
(vi)	Reexam candidate - Three sections	\$104.00	\$111.40
(vii)	Reexam candidate - Two sections	\$85.00	\$91.50
(viii)	Reexam candidate - One section National Association of State Boards of Accountancy candidate data base investigation fee for exam applications submitted with- out the applicant's Social Security number	\$66.00 \$70	\$71.60 \$70

Note: The board may waive late filing fees for individual hardship including, but not limited to, financial hardship, critical illness, or active military deployment.

[Statutory Authority: RCW 18.04.065, 18.04.105(3), 07-14-035, § 4-25-530, filed 6/26/07, effective 8/1/07; 06-14-030, § 4-25-530, filed 6/27/06, effective 8/1/06; 05-10-046, § 4-25-530, filed 4/29/05, effective 6/2/05. Statutory Authority: RCW 18.04.065, 18.04.105(3), 18.04.205, 05-01-136, § 4-25-530, filed 12/16/04, effective 1/31/05. Statutory Authority: RCW 18.04.065, [18.04.105(3), [18.04.195(7), [18.04.205(4), [18.04.215(8), [18.04.350 (2)(a), and 42.17.260(8). 04-01-076, § 4-25-530, filed 12/15/03, effective 1/15/04. Statutory Authority: RCW 18.04.055, [18.04.065, [18.04.105 (1)(e) and (3), 02-22-083, § 4-25-530, filed 11/5/02, effective 12/31/02. Statutory Authority: RCW 18.04.055, 18.04.065, 18.04.105(3), 18.04.195(7), 18.04.205(4), 18.04.215(8), and 18.04.350(2). 01-22-036, § 4-25-530, filed 10/30/01, effective 12/1/01. Statutory Authority: RCW 18.04.055, 18.04.065, 18.04.105(7), 18.04.195(6) and 18.04.205(4). 99-18-112, § 4-25-530, filed 9/1/99, effective 1/1/00. Statutory Authority: RCW 18.04.055, 18.04.065 and 18.04.195(b). 99-02-009, § 4-25-530, filed 12/24/98, effective 5/7/99. Statutory Authority: RCW 18.04.055, 18.04.065 and 18.04.195(6). 96-12-060, § 4-25-530, filed 5/31/96, effective 7/1/96. Statutory Authority: RCW 18.04.055, 93-12-075, § 4-25-530, filed 5/27/93, effective 7/1/93.]

WAC 4-25-820 What are the requirements for participating in quality assurance review (QAR)? (1) Purpose. The Washington state board of accountancy is charged with protection of the public interest and ensuring the dependability of information used for guidance in financial transactions or for accounting for or assessing the status or performance of commercial and noncommercial enterprises, whether public, private or governmental. The purpose of the QAR program is to monitor licensees' compliance with attest standards.

(2) Structure and implementation.

(a) The board will annually appoint a quality assurance review committee to perform the following functions:

(i) Review of financial statements and the reports of licensees thereon to assess their compliance with applicable professional standards;

(ii) Review of licensees' reports and information covered by those reports for conformity with applicable professional standards;

(iii) Improvement of reporting practices of licensees through education and rehabilitative measures; and

(iv) Such other functions as the board may assign to the committee.

(b) Once every three years the board will require each licensed firm to participate in the board's quality assurance review program. Participating firms will be notified by the board in January of the reporting requirement, and participating firms will be required to submit a quality assurance review status form, along with the appropriate fee, by the following April 30th. Failure to submit a complete quality assurance review status form postmarked by the April 30th due date, will result in the assessment of late fees. The board may waive late fees based on individual hardship including, but not limited to, financial hardship, critical illness, or active military deployment.

(c) Each participating firm shall submit, for each of its offices, one licensee report and the information covered by that report, for each of the following types of service or any other service the board determines:

- Compilation report on historical financial statements;
- Review report on historical financial statements;
- Audit report on historical financial statements;
- Agreed-upon procedures;
- Forecasts;
- Internal controls;
- Performance audits; and
- Projections.

A firm shall select these reports from all reports prepared during the twelve months preceding the date of board request or, if no reports have been issued within the last twelve months, from all reports during the preceding three years.

If reports issued by all offices of a firm are reviewed and issued in a controlled, centralized process, only one each of the type of licensee reports, including the information covered by the reports, specified above need be submitted by the firm as a whole.

(d) The board may exempt from the requirement of (c) of this subsection any firm that has participated in a board-approved peer review program within the three years immediately preceding the date of board request.

(e) Firms requesting exemption must submit a copy of an unmodified report, letter of comments, response to letter of comments, if applicable, and letter of acceptance from the reviewing organization. Firms that receive modified peer review reports may request exemption, but must submit copies of such reports and related correspondence, at the discretion of the board, for consideration on an individual basis.

(f) Any documents submitted in accordance with (c) of this subsection may have the name of the client, the client's address, and other identifying factors omitted, provided that the omission does not render the type or nature of the entity undeterminable. Dates may not be omitted.

(g) Reports submitted to the committee pursuant to (c) of this subsection and comments of reviewers, the committee and the board on such reports or workpapers relating thereto, shall also be preserved in confidence except to the extent that they are communicated by the board to the licensees who issued the reports or disclosure is required under administrative procedure rules or by direction of a court of law.

(h) The committee's review of the licensee reports and other information covered by those reports shall be directed toward the following:

(i) Presentation of the financial statements covered by the licensee reports and/or other information covered by those reports in conformity with applicable professional standards for presentation and disclosure;

(ii) Compliance by licensees with applicable reporting standards; and

(iii) Compliance by licensees with the rules of the board and other regulations relating to the practice of public accounting.

(i) If the board determines that a report and/or other information covered by the report referred to the board by the committee is substandard or seriously questionable with respect to applicable professional standards, the board may take one or more of the following actions:

(i) Send the licensee a letter of comment detailing the perceived deficiencies and require the licensee to develop quality control procedures to ensure that similar occurrences will not occur in the future;

(ii) Require any licensee who had responsibility for issuance of a report, or who substantially participated in preparation of the report and/or related workpapers, to successfully complete specific courses or types of continuing education as specified by the board;

(iii) Require that the licensee responsible for a substandard report submit all or specified categories of its reports to a preissuance review in a manner and for a duration prescribed by the board. The cost of the preissuance review will be at the firm's expense;

(iv) Require the licensee responsible for a substandard report to submit to a peer review conducted in accordance with standards acceptable to the board. The cost of the peer review will be at the licensee's expense;

(v) Require the licensee responsible for substandard work to submit to on-site field review or other investigative procedures of work product and practices by board representatives in order to assess the degree or pervasiveness of substandard work. The board may assess the costs of such field review or procedures to the licensee if the results of such investigative efforts substantiate the existence of substandard work product;

(vi) Initiate an investigation pursuant to RCW 18.04.295, 18.04.305, and/or 18.04.320.

(j) The board may solicit and review licensee reports and/or other information covered by the reports from clients, public agencies, banks, and other users of such information.

[Statutory Authority: RCW 18.04.055(9). 07-14-036, § 4-25-820, filed 6/26/07, effective 7/27/07; 05-01-135, § 4-25-820, filed 12/16/04, effective 1/31/05; 02-04-064, § 4-25-820, filed 1/31/02, effective 3/15/02. Statutory Authority: RCW 18.04.055. 94-02-071, § 4-25-820, filed 1/4/94, effective 2/4/94.]